UNITED STATES DISTRICT COURT FOR THE DISTRICT OF PUERTO RICO

MINUTES OF PROCEEDINGS

CIVIL CASE NO: **96-2657(SEC)** DATE: March 30, 2000.

AQUA DESIGN OF PUERTO RICO Special Master:

Plaintiff Reynaldo Quiñones, Esq., C.P.A.

v. Attorneys:

PUERTO RICO AQUEDUCT AND

SEWER AUTHORITY, et. al. José R. Gaztambide

Defendants

SETTLEMENT CONFERENCE

John García

A Settlement Conference was **held** in Chambers today with the Special Master, Reynaldo Quiñones, Esq., C.P.A. Counsel for the defendants were present. However, Plaintiff's counsel Antonio Vergne, did not appear in spite of the fact that he was notified of this conference by mail on March 21, 2000. He called at the end of the conference to inform the Court that he did not receive the notification.

The Special Master informed the Court that he has been unable to prepare his report because the parties have failed to timely provide the following information. From the Defendants' side, the total charges for water transportation to Culebra including related charges for rented trucks, land transportation and supporting documents. From the Plaintiff's side, a detailed statement of accounts receivable to support its claim that the defendants owe him the amount of \$151,679.00 for water produced before the cancellation of the contract.

The Special Master further informed the Court that the Plaintiff was requesting an 18% rental charge on equipment belonging to the Plaintiff left at the plant before the cancellation of the contract. The Special Master will independently review what the proper charge should be. The Court noted that at an earlier conference it had suggested a 12% return as reasonable in order to aid the parties in arriving at a settlement on this issue.

The Special Master requested that the Court give the parties until April 28, 2000 to provide him with the above-referenced information. Thereafter the Special Master shall prepare his final report. The same shall be filed with the Court by May 15, 2000. Any objections shall be submitted by May 22, 2000. The Court shall have a final conference to approve the Special Master's report and arrive at a settlement on May 31, 2000 at 2:00 p.m.

The Court reminded the parties that the Special Master is authorized to issue any necessary orders to implement his functions and that the parties are requested to cooperate in supplying all the necessary information. The Special Master is authorized to bill the parties for services rendered.



Within his authority is also the power to contract experts and technicians to assist him in evaluating all the information provided and preparing his report.

U.S. District Judge